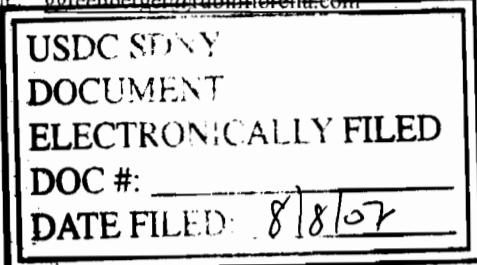


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MEMO ENDORSED



August 6, 2007

BY FEDERAL EXPRESS

Hon. Kenneth M. Karas, U.S.D.J.
Daniel Patrick Moynihan
United States Courthouse
500 Pearl Street, Room 920
New York, New York 10007

Re: Swiss Reinsurance America v. Certain Underwriters at Lloyds
07 Civ. 3174 (KMK)

Dear Judge Karas:

We represent plaintiff Swiss Reinsurance America Corporation, successor-in-interest to First Excess and Reinsurance Corporation ("Swiss Re") in this action. We write to inform the Court that the parties are presently negotiating an arbitration agreement to resolve the issues in this action. We do not anticipate any impediment to completion of such an agreement, but it is unlikely that it will be executed prior to the conference with the Court which is scheduled for 4 p.m. on Thursday, August 9, 2007.

Once the proposed arbitration agreement is signed, we will seek a stay of this action and will request a pre-motion conference for that purpose. Counsel for defendant Syndicate 53 has reviewed this letter and has authorized us to inform the Court that Syndicate 53 will not object to such a motion. If the Court is willing to entertain an application to stay this action, then we respectfully request that the Court conference which is scheduled for August 9, 2007 at 4:00 p.m. be adjourned.

Hon. Kenneth M. Karas, U.S.D.J.
August 6, 2007
Page 2

Additionally, defendant Syndicate 53 requests that the Court adjourn Syndicate 53's time period to answer, move or otherwise respond to the complaint in this action. Counsel for plaintiff Swiss Re has no objection to this request.

Respectfully submitted,



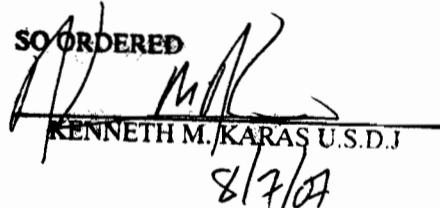
Gerald A. Greenberger

GAG:lm

cc: Samantha Miller, Esq.
Attorney for Syndicate 53
(By E-mail)

The August 9 conference is canceled. The Court will schedule a conference on December 7, 2007 at 10 am, as a central date.

489-5064\Hon. Kenneth Karas Ltr. 2.wpd



SO ORDERED
KENNETH M. KARAS U.S.D.J.
8/7/07

RUBIN, FIORELLA & FRIEDMAN LLP